

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

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January 13, 2024

NWABSD BOARD OF EDUCATION

Housing Committee Meeting

Conducted via Teams and in the NWABSD Boardroom Call in: 1-833-682-3239, Access code: 720 417 401#

Agenda

January 23, 2024 3:15 p.m.

- Five Million dollar housing grant from AHFC update from Dena
- 10 plex discussion Margaret Hansen

Northwest Arctic Borough School District AHFC \$5M Professional Housing Grant – Discussions and options January 9, 2024

Last Frontier Initiative:

Governor Dunleavy allocated \$5M to several western Alaska hub communities. The City of Kotzebue is the official recipient of the grant funds, and as such, they are really in the driver's seat. AHFC's Daniel Delfino, AHFC Planning Director, participated in a January 5, 2024 meeting in Kotzebue with the City and several potential partners. The funds were presented as very flexible with the ability to use the rules and regulations of a large number of federal housing programs as best fit the needs of the Kotzebue entities. AHFC presented a "we are here to help however we can to make the most impact for your community". The City has up to four individual lots around town they would like to build duplexes or triplexes on. Individual lots spread out are more expensive to build on a per unit basis versus one larger project. But larger projects require design teams and fire marshal permits, likely sprinklers and other expenses. There was concern discussed about ownership and ongoing operations of jointly owned buildings. But it is possible to build condo style facilities where each unit, or set of units, is owned by different entities and then common grounds such as parking, lobbies, etc. are jointly owned, or one entity takes on the common areas as part of their contribution.

Potential City of Kotzebue partners:

- a) Northwest Arctic Borough
- b) Northwest Arctic Borough School District
- c) Northwest Inupiat Housing Authority
- d) Nana Regional Corporation

Strategies to Increase impact:

- a) Leveraging the AHFC funds as match for larger grants can turn \$5M into \$9M or \$8.5M depending on the match requirements of the grants pursued.
- b) If all the parties pooled whatever they could contribute as a match, that could be added to the \$5M and thus more grant funding could be sought with this larger match amount.
- c) Such leveraging could be with the EDA grant noted below or another AHFC grant.
- d) Even if NWABSD received \$1.5 to \$2M from this grant, or as supplemented by Borough funding, to use as match in applying for grants, that would allow the current \$8M ATC 6-plex to apply for EDA grant funding.

District's offerings to other partners:

- a) District owns the ATC lot, thus no funds or time are spent or lost in acquiring new land.
- b) ATC dorm design drawings are at 65% design which would allow that project to be bid this spring and get materials into Kotzebue the end of this summer. Piles would be installed in January-March 2025 and then construction would start Spring 2025. We could spend the \$2M lowincome money before the September 30, 2025 deadline.
- c) The district has a design team already on board and familiar with the building program and site. It takes about 2 months plus to write an RFP, solicit a team, get them under contract, etc. Another 3-4 months is needed to get to 65% design documents. So, basically the district is about 6 months ahead of starting from scratch.

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- d) There is room on the ATC site to likely double the number of units, perhaps more than 12 units could be built there. There are few large lots left in Kotzebue, so having one contiguous lot is an advantage.
- e) District has grant writers capable and good at submitting for federal grants such as the Economic Development Administration (EDA) grant.
- f) District has Capital Project Management resources who can write the EDA grant and then manage the design and construction project.
- g) A 15% match is required for the \$5M from AHFC, that is \$750K. District can offer
 - a. \$130K+ already invested in design and Project Management
 - b. Another \$350k in additional design, project management and district administration to be spent.
 - c. The value of the ATC lot

District's needs from the project:

- a) ATC Student Family housing
- b) Teacher family housing